

DRAFT 2

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 627, 1321, 1322, 1323, 1324, 1325, 1332, and
1333 (MCL 380.627, 380.1321, 380.1322, 380.1323, 380.1324,
380.1325, 380.1332, and 380.1333), section 627 as amended by 1995
PA 289, section 1321 as amended by 2008 PA 1, section 1323 as added
by 1986 PA 151, section 1324 as amended by 1994 PA 416, section
1325 as added by 1992 PA 140, and section 1333 as amended by 1989
PA 159, and by adding section 1320.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 627. (1) An intermediate school board shall do all of the
2 following:

3 (a) Upon request of the board of a constituent district,
4 furnish services on a management, consultant, or supervisory basis



1 to the district. The intermediate school board may charge a
2 constituent district for the costs of services furnished under this
3 subdivision.

4 (b) Upon request of the board of a constituent district,
5 direct, supervise, and conduct cooperative educational programs on
6 behalf of the district. The intermediate school board may utilize
7 available funds not otherwise obligated by law and accept
8 contributions from other sources for the purpose of financing the
9 programs. The funds shall be deposited with the treasurer in a
10 cooperative education fund and shall be disbursed as the
11 intermediate school board directs. The intermediate school board
12 may employ personnel and take other action necessary to direct,
13 supervise, and conduct cooperative educational programs.

14 (c) Conduct cooperative programs mutually agreed upon by 2 or
15 more intermediate school boards.

16 (d) Conduct cooperative programs mutually agreed upon with 1
17 or more public school academies.

18 (2) An intermediate school board may conduct or participate in
19 cooperative programs for information technology systems which may
20 include, but are not limited to, equipment for storage, retrieval,
21 processing, and transmission of voice, data, or video
22 communications; contract with public schools or other educational
23 institutions, government agencies, public broadcasting stations or
24 systems, or information technology service providers in conducting
25 the programs; and acquire and install the equipment, software, and
26 training necessary for the programs in the manner and at the places
27 the intermediate school board considers appropriate.



(3) Upon request of the board of a constituent school district or public school academy located within the intermediate school district, an intermediate school board may provide, either solely or as part of a consortium of intermediate school districts, comprehensive school improvement support services to the district or public school academy. These services may include, but are not limited to, all of the following:

(a) The development of a core curriculum.

(b) The evaluation of a core curriculum.

(c) The preparation of 1 or more school improvement plans.

(d) The dissemination of information concerning 1 or more school improvement plans.

(e) The preparation of an annual educational report.

(f) Professional development.

(g) Educational research.

(h) The compilation of instructional objectives, instructional resources, pupil demographics, and pupil academic achievement.

(i) Assistance in obtaining school accreditation.

(j) The provision of general technical assistance.

(4) To the extent allowed by law, if the most cost-effective business services are not available to constituent districts, an intermediate school board shall offer to provide for constituent districts and public school academies located within the intermediate school district business services that can be accomplished more cost-effectively by an intermediate school district. An intermediate school district may charge a fee for these services, and may contract with a third party for provision



1 of some or all of these services. ~~These~~ **SUBJECT TO SUBSECTION (5)**
 2 **AND SECTION 1320, THESE** services may include, but are not limited
 3 to, any of the following:

- 4 (a) Data processing.
- 5 (b) Payroll.
- 6 (c) Class scheduling.
- 7 (d) Distance learning coordination and delivery.
- 8 (e) Transportation services.

9 **(5) BEGINNING JULY 1, 2010, AN INTERMEDIATE SCHOOL DISTRICT**
 10 **SHALL PROVIDE TRANSPORTATION SERVICES FOR CONSTITUENT DISTRICTS AND**
 11 **PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE INTERMEDIATE SCHOOL**
 12 **DISTRICT IN ACCORDANCE WITH SECTION 1320.**

13 **SEC. 1320. (1) BEGINNING JULY 1, 2010, AN INTERMEDIATE SCHOOL**
 14 **DISTRICT SHALL PROVIDE TRANSPORTATION SERVICES ON BEHALF OF ITS**
 15 **CONSTITUENT DISTRICTS, OR PUBLIC SCHOOL ACADEMIES LOCATED WITHIN**
 16 **THE INTERMEDIATE SCHOOL DISTRICT, THAT CHOOSE TO PROVIDE**
 17 **TRANSPORTATION FOR PUPILS. AN INTERMEDIATE SCHOOL DISTRICT MAY**
 18 **CHARGE A FEE TO A CONSTITUENT DISTRICT OR PUBLIC SCHOOL ACADEMY FOR**
 19 **PROVIDING TRANSPORTATION SERVICES, NOT TO EXCEED THE ACTUAL COST TO**
 20 **THE INTERMEDIATE SCHOOL DISTRICT.**

21 **(2) AN INTERMEDIATE SCHOOL DISTRICT MAY** *enter into an agreement or* **CONTRACT WITH ANY**
 22 **PERSON OR ENTITY, INCLUDING, BUT NOT LIMITED TO, ANOTHER**
 23 **GOVERNMENTAL ENTITY, AN AUTHORITY, OR A PRIVATE ENTITY, TO PROVIDE**
 24 **THE TRANSPORTATION SERVICES UNDER SUBSECTION (1), OR MAY HAVE THESE**
 25 **SERVICES PROVIDED ON AN EMPLOYMENT BASIS BY A GROUP OF ITS**
 26 **EMPLOYEES AFTER OBTAINING COMPETITIVE BIDS UNDER SUBSECTION (3).**
 27 **THE INTERMEDIATE SCHOOL DISTRICT SHALL NOT ENTER INTO OR RENEW A**

1 CONTRACT OR A COLLECTIVE BARGAINING AGREEMENT WITH A PROVIDER FOR
2 PROVIDING THESE SERVICES WITHOUT FIRST OBTAINING COMPETITIVE BIDS
3 UNDER SUBSECTION (3).

4 (3) BEFORE ENTERING INTO OR RENEWING A CONTRACT OR COLLECTIVE
5 BARGAINING AGREEMENT DESCRIBED IN SUBSECTION (2), AN INTERMEDIATE
6 SCHOOL BOARD SHALL OBTAIN COMPETITIVE BIDS ON THE PROVISION OF THE
7 TRANSPORTATION SERVICES. NOT LATER THAN MAY 1, 2010, THE
8 SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL DEVELOP AND MAKE
9 AVAILABLE TO INTERMEDIATE SCHOOL DISTRICTS A MODEL COMPETITIVE
10 BIDDING PROCESS THAT MAY BE USED FOR THE PURPOSES OF THIS
11 SUBSECTION. THIS MODEL PROCESS MAY BE BASED ON THE PROCESS
12 PRESCRIBED FOR COMPETITIVE BIDDING OF CONSTRUCTION CONTRACTS UNDER
13 SECTION 1267. THIS MODEL PROCESS AND THE COMPETITIVE BIDDING
14 PROCESS ADOPTED BY AN INTERMEDIATE SCHOOL DISTRICT SHALL REQUIRE
15 THAT COMPETING BIDS WILL BE POSTED, WITH A LINK ON THE HOMEPAGE, ON
16 THE INTERMEDIATE SCHOOL DISTRICT'S WEBSITE.

17 (4) SUBSECTION (3) DOES NOT APPLY TO CONTRACTS OF LESS THAN
18 \$20,000.00. THE MAXIMUM AMOUNT SPECIFIED IN THIS SUBSECTION SHALL
19 BE ADJUSTED EACH YEAR BY MULTIPLYING THE AMOUNT FOR THE IMMEDIATELY
20 PRECEDING YEAR BY THE PERCENTAGE BY WHICH THE AVERAGE CONSUMER
21 PRICE INDEX FOR ALL ITEMS FOR THE 12 MONTHS ENDING AUGUST 31 OF THE
22 YEAR IN WHICH THE ADJUSTMENT IS MADE DIFFERS FROM THAT INDEX'S
23 AVERAGE FOR THE 12 MONTHS ENDING ON AUGUST 31 OF THE IMMEDIATELY
24 PRECEDING YEAR AND ADDING THAT PRODUCT TO THE MAXIMUM AMOUNT THAT
25 APPLIED IN THE IMMEDIATELY PRECEDING YEAR, ROUNDING TO THE NEAREST
26 WHOLE DOLLAR.

27 Sec. 1321. (1) Subject to the balance of this section, the



1 board of a school district providing transportation for its
2 resident pupils, other than students with a disability transported
3 under article 3 or other pupils who cannot safely walk to school,
4 shall provide transportation for each resident public or nonpublic
5 school pupil if all of the following requirements are met:

6 (a) The school district provides transportation for the
7 elementary school level, middle or junior high school level, or
8 high school level, as defined by the local school board, in which
9 the pupil is enrolled.

10 (b) The pupil is a person for whom the school district is
11 eligible to receive state school aid for transportation.

12 (c) The pupil is attending either the public or the nearest
13 state approved nonpublic school in the school district to which the
14 pupil is eligible to be admitted.

15 (2) Transportation provided under subsection (1) shall be
16 without charge to the resident pupil, the parent, guardian, or
17 person standing in loco parentis to the pupil.

18 (3) A school district is not required to transport or pay for
19 transportation of a resident pupil living within 1-1/2 miles, by
20 the nearest traveled route, to the public or state approved
21 nonpublic school in which the pupil is enrolled. A school district
22 is not required to transport or pay for the transportation of a
23 resident pupil attending a nonpublic school who lives in an area
24 less than 1-1/2 miles from a public school in which public school
25 pupils are not transported, except that the school district is
26 required to transport or pay for the transportation of the resident
27 pupil from the public school within the area to the nonpublic



1 school the pupil attends.

2 (4) A school district is not required to transport or pay for
3 the transportation of resident pupils to state approved nonpublic
4 schools located outside the district unless the school district
5 transports some of its resident pupils, other than students with a
6 disability under article 3, to public schools located outside the
7 district, in which case the school district shall transport or pay
8 for the transportation of resident pupils attending a state
9 approved nonpublic school at least to the distance of the public
10 schools located outside the district to which the district
11 transports resident pupils and in the same general direction.

12 (5) BEGINNING JULY 1, 2010, A SCHOOL DISTRICT SHALL NOT
13 DIRECTLY PROVIDE TRANSPORTATION SERVICES FOR PUPILS BUT MAY PROVIDE
14 THESE SERVICES THROUGH ITS INTERMEDIATE SCHOOL DISTRICT AS PROVIDED
15 UNDER SECTION 1320.

16 Sec. 1322. (1) A-SUBJECT TO SECTION 1320, A SCHOOL DISTRICT
17 THAT PROVIDES TRANSPORTATION FOR PUPILS SHALL TRANSPORT A pupil
18 attending public school or the nearest state approved nonpublic
19 school available, to which nonpublic school the pupil may be
20 admitted, ~~shall be transported along the regular routes as~~
21 determined by the board OF THE SCHOOL DISTRICT to public and state
22 approved nonpublic schools. Transportation to public and the
23 nearest state approved nonpublic school located within or outside
24 the district to which nonpublic school the pupil is eligible to be
25 admitted shall be provided under the rules promulgated by the state
26 board. Rules shall not require the transportation or payment for
27 transportation for nonpublic school pupils on days when public



1 school pupils are not transported.

2 (2) This section shall not be construed to require or permit
3 transportation of pupils to a state approved nonpublic school
4 attending in the elementary grades when transportation is furnished
5 by the school district for secondary pupils only, nor to require or
6 permit the transportation of pupils to a state approved nonpublic
7 school attending the secondary grades when transportation is
8 furnished by the district for elementary pupils only.

9 (3) Vehicles used for the transportation of pupils shall be
10 adequate and of ample capacity.

11 Sec. 1323. (1) ~~Except~~ **SUBJECT TO SECTION 1320, EXCEPT** as
12 otherwise provided in this section, the board of a school district
13 that provides auxiliary services to pupils pursuant to section 1296
14 shall provide transportation from the nonpublic school to and from
15 the site where the auxiliary services are provided to resident and
16 nonresident nonpublic school pupils receiving those services, to
17 the extent the reasonable costs of the transportation of nonspecial
18 education pupils are paid for by the state. ~~, except for pupils~~
19 ~~whose transportation costs are being reimbursed under section 71 of~~
20 ~~the state school aid act of 1979, Act No. 94 of the Public Acts of~~
21 ~~1979, being section 388.1671 of the Michigan Compiled Laws.~~

22 (2) The board of a school district that does not provide
23 transportation for public school pupils, other than special
24 education pupils, is not required to transport nonpublic school
25 pupils to and from auxiliary service sites for nonspecial education
26 auxiliary services.

27 (3) The requirements of subsection (1) do not apply if the



1 superintendent of public instruction determines that a school
2 district is in substantial compliance with section 1296 without the
3 provision of transportation between the nonpublic school and the
4 site where the auxiliary services are provided.

5 Sec. 1324. ~~The~~ **SUBJECT TO SECTION 1320, THE** board of a school
6 district or board of directors of a public school academy may enter
7 into a contract with the board of another school district or board
8 of directors of a public school academy or with private persons to
9 furnish transportation for nonresident pupils attending public and
10 state approved nonpublic schools located within the school district
11 or in other school districts. The price paid for the transportation
12 shall not be less than the actual cost of the transportation to the
13 school district or public school academy furnishing transportation.

14 Sec. 1325. (1) ~~A~~ **SUBJECT TO SECTION 1320, A** school district,
15 intermediate school district, or consortium consisting of any
16 combination of local or intermediate districts may contract with
17 the board of another district to provide transportation for the
18 pupils of the other district either within or outside the other
19 district.

20 (2) For purposes of providing the transportation, and subject
21 to the requirements of this act for school buildings, supplies, and
22 vehicles, a local or intermediate district or consortium that
23 enters into a contract with another district to provide
24 transportation as described in subsection (1) may do 1 or more of
25 the following:

26 (a) Acquire 1 or more sites, acquire or construct 1 or more
27 buildings, or improve or enlarge 1 or more existing buildings.



(b) Furnish, equip, operate, and maintain 1 or more buildings.

(c) Acquire school buses, other school vehicles, and related supplies.

Sec. 1332. (1) ~~The~~ **SUBJECT TO SECTION 1320, THE** board of a school district may collect a fee for transporting pupils enrolled in grades K to 12 to or from nonmandatory and noncredit events sponsored by the school district. Fees charged shall cover expenses for the trips involved, under rules promulgated by the state board.

(2) A board of education shall not purchase additional school buses for the sole purpose of implementing this section.

(3) Insurance to indemnify the school district, its officers, or employees against liability for damages arising out of the use of school buses shall be obtained before fees or fares are charged.

Sec. 1333. (1) ~~Pursuant~~ **SUBJECT TO SECTION 1320, PURSUANT** to an agreement made under subsection (4), the board of a school district may permit the use of a school bus, which is not otherwise being used for school purposes, by an organization or group for purposes of transporting senior citizens or retired or disabled persons, or by a nonprofit organization for purposes of transporting its members, to or from an activity, event, or outing, if the board determines that suitable or economically feasible public or private transportation is not available for this purpose. Mileage, insurance, and other costs may be paid by the group or organization or may be waived by the board of the school district.

(2) The board of a school district may permit the use of a school bus for the purposes of transporting persons other than pupils to school-sponsored events. The board may collect a fee for



1 transporting persons other than pupils to or from school-sponsored
2 events to cover expenses for the trips involved. Insurance to
3 indemnify the school district, its officers, or employees against
4 liability for damages arising out of the use of school buses shall
5 be obtained before persons other than pupils are transported and
6 fees charged. The pupils of the district should be given first
7 priority for any transportation furnished by the board.

8 (3) The board of a school district shall not purchase
9 additional school buses for the sole purpose of implementing this
10 section.

11 (4) A local unit of government, including a city, county,
12 village, or township, may enter into an agreement with a board of a
13 school district within its area for the use of school buses to
14 transport senior citizens or retired or disabled persons or members
15 of a nonprofit organization, subject to the same terms and
16 conditions provided in subsection (1).

17 (5) As used in this section, "nonprofit organization" means
18 any 1 of the following:

19 (a) A corporation organized under the nonprofit corporation
20 act, ~~Act No. 162 of the Public Acts of 1982, being sections~~
21 ~~450.2101 to 450.3192 of the Michigan Compiled Laws 1982 PA 162, MCL~~
22 **450.2101 TO 450.3192.**

23 (b) A corporation to which the nonprofit corporation act
24 applies as provided in sections 121 and 123 of ~~Act No. 162 of the~~
25 ~~Public Acts of 1982, being sections 450.2121 and 450.2123 of the~~
26 ~~Michigan Compiled Laws~~ **THE NONPROFIT CORPORATION ACT, 1982 PA 162,**
27 **MCL 450.2121 AND 450.2123.**



1 (c) A group, society, organization, or association organized
2 to carry out any lawful purpose not involving pecuniary profit or
3 gain for its officers, trustees, or members.

4 (6) The state board shall promulgate rules to implement this
5 section.